

**BEFORE THE TENNESSEE REGULATORY AUTHORITY
NASHVILLE, TENNESSEE**

January 24, 2003

IN RE: Petition to Suspend BellSouth's)
 "Welcoming Reward" Tariff and)
 Open a Contested Case Proceeding)

Docket No. 03-00060

**SUPPLEMENTAL FILING IN SUPPORT OF PETITION TO SUSPEND TARIFF AND
OPEN CONTESTED CASE PROCEEDING**

The CLEC Coalition¹, which previously filed the above-captioned Petition concerning BellSouth's "Welcoming Reward" tariff², submits this supplemental filing in further support of the Petition.

The Coalition wishes to bring to the attention of the Authority information concerning an on-going proceeding before the Kansas State Corporation Commission which is investigating "Winback/Retention Promotions and Practices." In fact, the Commission is conducting an industry workshop this week to discuss many of the same issues raised in the Coalition's Petition.

Attached is a copy of a Commission Order issued November 20, 2003, describing those proceedings, which were initialed by the Commission staff, and discussing in some detail the kind of anti-competitive problems caused by "winback" type programs.

As the Coalition noted in its Petition, a number of state commissions have received complaints and opened investigations concerning "winback" tariffs which are typically

¹ At this time, the Coalition includes Access Integrated Networks, Inc., Cinergy Communications Company, Xspedius Corporation, and AT&T Communications of the South Central State, Inc.

² The earlier Petition described the "Welcoming Reward" tariff as only being available to new, business customers whose total annual telephone bills are less than "\$3,600." That was an error. The figure should have been \$36,000.

offered by incumbent local exchange carriers, not to their own customers, but only to customers of competing carriers. The TRA has not yet addressed these issues because, to the Coalition's knowledge, BellSouth has not yet received approval to offer such a tariff in Tennessee.

The Kansas proceeding, as described in the attached order, further demonstrates why this agency should not allow BellSouth's "Welcoming Reward" tariff, which is a classic "winback" program, to become effective without a thorough investigation of the problems such programs can raise -- and have raised -- in other states.

Respectfully submitted,

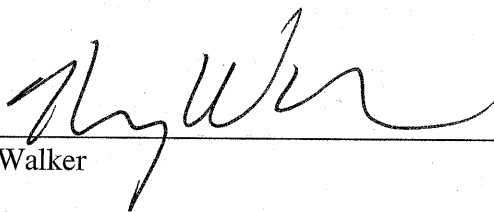
By: 

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CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing has been forwarded via fax or hand delivery and U.S. mail to the following on this the 24th day of January, 2003.

Guy M. Hicks, Esq.
BellSouth Telecommunications, Inc.
Suite 2101
333 Commerce Street
Nashville, Tennessee 37201-3300



Henry Walker

THE STATE CORPORATION COMMISSION
OF THE STATE OF KANSAS

2002.11.19 11:46:47
Kansas Corporation Commission
Jeffery S. Wasaman

Before Commissioners:

John Wine, Chair
Cynthia L. Claus
Brian J. Moline

In the Matter of a General Investigation into)
Winback/Retention Promotions and Practices.)

Docket No. 02-GIMT-678-GIT

ORDER 5 ADOPTING FINDINGS AND RECOMMENDATIONS
AND SETTING PROCEDURAL SCHEDULE

The above-captioned matter comes before the State Corporation Commission of the State of Kansas (Commission) for consideration and decision. Having reviewed the files and being fully advised of all matters of record, the Commission summarizes the arguments of the parties and concludes as follows:

1. On March 5, 2002, the Staff of the State Corporation Commission of the State of Kansas (Staff) filed a motion to initiate a generic investigation of whether a local exchange carrier (LEC) should be allowed to offer winback or retention promotions and practices. A winback offer is a promotional offer or discount available to former customers that had voluntarily terminated service in favor of a competing LEC. A retention offer is a promotional offer or discount available to existing customers who were considering services offered by a competing LEC. Staff Motion to Initiate Investigation, ¶ 1. Staff proposed four questions to be addressed in a generic docket and recommended the Commission investigate whether these offerings are in the public interest or are anticompetitive and contrary to the public interest. Staff Motion to Initiate Investigation, ¶ 8.

2. In response to Staff's Motion, Southwestern Bell Telephone Company (SWBT) argued that offering lower prices and reduced economic hurdles for customers was not anticompetitive but the essence of competition. SWBT Response, ¶ 8. SWBT argued the proposed investigation was unnecessary because existing law allows evaluation of winback and retention offerings. SWBT Response, ¶ 10. Staff filed a reply, to which SWBT filed a rejoinder. The following parties filed Comments supporting Staff's Motion: Everest Midwest Licensee, LLC d/b/a Everest Connections (Everest), Birch Telecom of Kansas, Inc. (Birch), and MCIMetro Transmission Access Services, Inc. (MCI).

3. On May 17, 2002, the Commission opened this docket to conduct a generic investigation of winback and retention offerings to determine their lawfulness. Order Initiating Investigation, issued May 17, 2002 (Order 2), ¶ 16. All certificated local exchange carriers (LECs) were joined as parties to the proceeding and all previously filed petitions to intervene were treated as entries of appearance. Additional parties wanting to participate actively were required to file an entry of appearance to be included on a restricted service list. Order 2, ¶ 18. The Citizens' Utility Ratepayer Board (CURB) was granted intervention. Order 2, ¶ 19. In addition to four questions posed in Staff's motion, parties were invited to file a list of additional issues to be addressed in this docket. Order 2, ¶ 17. The following parties filed a list of issues or comments raising addition issues: SWBT, Everest, MCI, WorldNet L.L.C. (WorldNet), and Staff.

4. A prehearing conference was conducted on August 7, 2002, with Martha J. Coffman, Advisory Counsel, presiding. Appearances of counsel were as follows: Bret Lawson on behalf of Staff and the public generally; Walker Hendrix on behalf of CURB; Bruce A. Ney on behalf of SWBT; Steve Minnis on behalf of United Telephone Companies of Kansas (Sprint); Rachel Lipman Reiber on behalf of Everest; Robert Fox on behalf of WorldNet and A&T Communications of the Southwest, Inc. (AT&T); James M. Caplinger, Jr., on behalf of State Independent Alliance (SIA); Trina LeRiche on behalf of Adelphia Business Solutions of Kansas, Inc. (Adelphia) and NuVox Communications, Inc. (NuVox); Rose Mulvany Henry on behalf of Birch; and Michael Lennen and Patricia Escobedo on behalf of MCI.

5. The Commission has jurisdiction over the parties and the subject matter of this docket pursuant to K.S.A. 2001 Supp. 66-104, K.S.A. 66-131, K.S.A. 66-1,188, K.S.A. 66-1,189, K.S.A. 2001 Supp. 66-1,191, and K.S.A. 2001 Supp. 66-2003(c). On September 9, 2002, the presiding officer filed written findings and recommendations pursuant to K.S.A. 77-526(i).

6. Staff listed the following four questions to be addressed in this docket: Does the targeting of competitive LEC customers discriminate against all other customers? Do winback promotions stifle or promote competition? Do these practices constitute price discrimination by former monopolies with market power? Are these practices a legitimate competitive response? Staff's Motion to Initiate Investigation, ¶ 8. Also, Staff asserted decisions in this docket should apply equally to all companies. Staff's Motion to Initiate Investigation, ¶ 9. The parties' proposed additional issues to be considered in this docket.¹

7. At the prehearing conference, the parties agreed discovery would be necessary. Transcript of Hearing, August 7, 2002 (Tr.), p. 5. Because the Commission anticipates discovery will involve confidential issues, a protective order will issue. The parties urged the Commission to define the scope of issues to be addressed in this docket, allowing addition of new issues that arise during discovery. Tr., pp 8-13. Because this docket will involve public interest considerations, the presiding officer recommended that parties proceed with discovery and the filing of testimony to be followed by a Commission hearing. Findings & Recommendations, ¶ 7. The Commission adopts this recommendation. Parties should propose specific criteria and guidelines in direct testimony and use rebuttal to critique positions taken by other parties in their direct. If parties know of relevant experiences in other states to bring to the Commission's attention, parties should provide docket numbers, dates of orders, and other citation information.

¹ This Order does not discuss all parties' positions on each issue. All comments and lists of issues are available on the Commission's website at <http://www.kcc.state.ks.us/> using Docket No. 02-GIMT-555-GIT.

The Commission in this order will set forth issues it anticipates will be decided in this docket. If parties become aware of additional issues that are appropriately considered in this docket, these may be presented in direct testimony. If new issues arise after direct testimony is filed, parties shall obtain leave of the Commission before introducing new issues in rebuttal testimony.

I. Permitting winback or retention promotions.

8. As the presiding officer noted, a preliminary question that needs to be addressed is whether any winback or retention promotions and practices should be permitted in Kansas. Findings & Recommendations, ¶¶ 8-9. Competition in this state is in transition. Although some competition exists, it is not clear that the competitive market can withstand pressures brought on by winback or retention promotions and practices. If the market is so fragile that these offerings threaten development of further competition, then these promotions and practices may be against the public interest. This might require denial of all requests for such offerings. Parties should address the preliminary question of whether winback or retention promotions and practices should be permitted at all in Kansas. Parties should explain how such offerings stifle competition and discriminate among customers.

9. The question arises whether the Commission should postpone further proceedings in this docket until after this issue is decided. Based upon its knowledge of the telecommunications market, the Commission concludes proceedings should not be delayed. Instead parties should discuss this issue at the same time other issues are addressed. In discussing other issues, parties should assume that competition exists and that carriers can offer winback or retention promotions and practices at least in some circumstances. With this assumption, the issue becomes whether individual promotions are in the interest of the public and do not threaten

competition or unjustly discriminate. Parties should address the following issues regarding the Commission's review of individual winback or retention promotions and practices.

II. Criteria and Guidelines

10. If winback or retention promotions and practices are allowed in Kansas, objective criteria and guidelines are needed for evaluating the terms, prices, and conditions of these promotions. The Commission will need to determine whether a particular offering (1) is in the interest of the public; (2) has a negative impact on competition; or (3) is discriminatory. Also, equal access to information is an important consideration. The Commission anticipates the same rules will apply to winback or retention offerings of all LECs, but parties may address whether reasons justify imposing stricter rules on an incumbent that retains a disproportionate share of the market. Staff's List, ¶ 11.

A. Impact on Competition

11. The Commission anticipates each winback or retention offering will need to be examined to determine whether it is anticompetitive or a legitimate response to competition. Parties have articulated several questions that need to be addressed regarding this issue. How can competition be measured to determine whether it has developed to a sufficient degree to justify approving these offerings? Staff's List, ¶ 5. Do market forces protect competitors? How can the threat of stifling competition be weighed with the benefits consumers receive from such offerings? SWBT Comments, ¶ 2. What are the long-term effects of winback or retention offerings during the developing stages of competition? WorldNet Petition, ¶ 5.A. Can objective criteria be articulated to evaluate whether such an offering promotes healthy competition? Everest Additional Issues, p. 2.

12. Parties should articulate what criteria the Commission should use to evaluate whether winback or retention promotions and practices are anticompetitive or will threaten or harm competition in Kansas. Parties should suggest guidelines to use to evaluate whether a particular offering will stifle competition or is a legitimate response to a competitive market.

B. Discriminatory Effect

13. Winback and retention offerings are directed at customers that have changed, or are changing, service in favor of a competing LEC. The concern is that competition will not increase if an incumbent LEC, which began with all end-users as customers, can selectively price services to regain customers that select a competitor. However, as the incumbent's percentage of customers in the market declines, the justification for limiting its pricing responses lessens. Although carriers are allowed to "offer promotions within an exchange or group of exchanges," such promotions "shall apply to all customers in a nondiscriminatory manner within the exchange or group of exchanges." K.S.A. 2001 Supp. 66-2005(k). In Docket No. 02-SWBT-677-MIS, the Commission disapproved a winback offering for not complying with K.S.A. 2001 Supp. 66-2005(k), but concluded further definition of customer classes should be addressed in this docket.²

14. Parties should address whether targeting some customers for winback or retention discriminates against customers that have not changed carriers. This issue presents difficult questions. Can objective criteria be established to determine whether a winback offering or a retention promotion is unduly preferential? How should public interest be defined in the context of this docket? Is it in the public interest to select certain customers for winback or retention discounts? If so, should limitations be set for which classes of customers can receive winback or retention offers? Staff's List, ¶¶ 6-7; Everest Additional Issues, pp 2-3.

² Docket No. 02-SWBT-677-MIS, Order Addressing Staff's Report and Recommendation, issued July 18, 2002, ¶ 14.

15. In answering these questions, parties should suggest criteria and guidelines to be used to evaluate the discriminatory or preferential nature of winback or retention offerings. Parties should address how the benefits of competition, such as reduced prices, can be transmitted to, and realized by, telecommunications consumers generally when a carrier targets price reductions at consumers that have selected a competitor for service. Finally, parties should discuss how to determine whether these offerings comply with K.S.A. 2001 Supp. 66-2005(k).

C. Terms, Conditions, and Pricing of Offerings

16. The Commission must determine what methodology to use to evaluate pricing, conditions and terms of these offerings. Services must be priced above the price floor, which is long-run incremental cost (LRIC) and imputed access charges. K.S.A. 2001 Supp. 66-2005(j). Generally winback and retention offerings provide price discounts to customers. SWBT argues that if the cost of discounted services is above the LRIC price floor, no further evaluation is needed. SWBT Comments, ¶ 2. However, Staff recommended parties discuss this issue. As an example, Staff noted many competitive LECs provide service using an unbundled network element platform (UNE-P). Should the Commission evaluate whether a competitive LEC using UNE-P can make the same offer SWBT proposes and still retain a reasonable margin for the service? What margin is reasonable? If a price is above LRIC price floors, can it be predatory or anticompetitive? Should a price floor be set for promotions? Are offerings below UNE rates anticompetitive? Staff's List, ¶ 10; MCI Issues, ¶ 2.

17. The Commission must also decide whether to place limitations on these offerings. Can one customer receive repeated offerings? Should the term of a promotion have a time limit, such as one year? Should the time for offering a promotion be limited, such as to no more than 90 days? Does it matter if an offering is for a single product or a bundle of services? Are some

promotions, such as waiver of non-recurring charges, acceptable for winback but not for customer retention? Also, can a provider offer free services? If so, can an offer include free basic local service? Staff Issues, ¶ 9; Everest Additional Issues, pp 2-3.

18. Parties should address these issues, explaining what information is needed to evaluate the terms, conditions, and pricing of winback or retention promotions and practices. Also, parties should discuss how to use this information to evaluate these promotions and practices. Parties should present any additional issues regarding terms, conditions, and pricing of winback or retention offerings.

III. Access to Information

19. Several parties expressed concern that in developing its winback and retention offerings, SWBT, the incumbent, has access to and uses specific customer order activity and other information concerning customer choices that is not available to competitive LECs. SWBT has an unfair advantage if other carriers cannot access this information at the same time as SWBT. MCI alleged SWBT accessed this information to send out letters and leave voice mail messages within days of a customer deciding to switch providers. MCI Comments, ¶ 4. The competitive LECs question how SWBT becomes aware that a telecommunications customer is migrating service and whether that information is available to all competitors. MCI Issues, ¶ 3. According to SWBT, the information it uses to develop its winback and retention offerings is available to competitive LECs by requesting Local Disconnect Reports (LDR). SWBT Response to MCI's Comments, ¶ 5.

20. Access to information about migration of service involves two issues. First, what information does SWBT have available in developing its marketing of winback and retention promotions and practices? Second, can competitive LECs access this information on the same

terms as SWBT? Equal accessibility to customer information is particularly important in assuring a sustainable competitive market. SWBT should not have preferential access to information as an incumbent. If SWBT is using information for marketing of winback or retention offerings that is gathered as an incumbent but is not readily available to competitors, then SWBT has an unfair advantage. But if this information is readily available to any competitive LEC upon request, SWBT's dominance in the marketplace is not necessarily a critical advantage.

21. Numerous questions arise regarding access to information. How does SWBT transmit information that a consumer is changing carriers to its "retention group" responsible for deciding whether to send letters or voicemails to try to retain the business for SWBT? What information is transmitted to SWBT's retention group? How often is information provided to SWBT's retention group and what is the cost? What must competitive LECs do to obtain LDRs? How often is information transmitted to competitive LECs requesting LDRs? What information is included, how is the information transmitted, and what is the cost? What information about migrating customers is available to SWBT's retail operations that is not available to other carriers? Staff's List, ¶ 8; WorldNet Petition, ¶ 5.C; MCI Issues, ¶ 3.

22. The presiding officer recommended that parties meet in a workshop setting to discuss issues regarding access to information because parties appear to agree that all carriers should have access to this information. This meeting would provide a forum for parties to discuss what information is needed to develop such promotions and how this information can be shared in a competitive market. Findings and Recommendations, ¶ 25. Although parties were asked to address the suggestion of such a workshop, only Staff responded by expressing its willingness to participate in a workshop discussion. Staff's Comments, ¶ 3.

23. The Commission finds that a workshop should be conducted addressing the questions set forth above relating to access to information. The presiding officer shall schedule a meeting that includes parties actively participating in this docket. To assure a meaningful meeting, parties attending the workshop shall have individuals present that are knowledgeable about issues relating to winback or retention offerings, including the ability to discuss the questions set forth above. Also, parties must have representatives present that have authority to discuss the positions of the party regarding a possible settlement of issues relating to access to information. The presiding officer shall report the results of the workshop to the Commission.

IV. Should the same criteria and guidelines apply to all winback or retention offerings?

24. Parties should discuss whether criteria and guidelines developed to evaluate winback and retention offerings should be applied to offerings by all LECs. Parties should also address whether reasons exist for imposing specific limitations on incumbents. The Commission is particularly concerned that affiliate promotions might be used to circumvent criteria and guidelines adopted to evaluate winback and retention promotions and practices. The discussion in this docket should include consideration of how criteria and guidelines can be used to evaluate promotions and practices of affiliates that result in winback or retention of a customer for a carrier. These affiliate offerings must be reviewed to determine whether they are in the public interest, are not discriminatory, and do not threaten competition. Finally, parties should address what a carrier should be required to file with the Commission to advise the public of winback or retention offerings and what notice, if any, should be provided customers regarding winback or retention offerings.

V. Discovery Requirements and Procedural Schedule

25. This Order will contain a procedural schedule that provides for discovery, the filing of simultaneous direct and rebuttal testimony, a deadline for prehearing motions and response thereto, a prehearing conference, and an evidentiary hearing. At a later date, this Commission will decide whether testimony at the hearing will be presented using a panel discussion or the traditional individual questioning of witnesses.

26. Parties should exercise good faith during the discovery process, make focused discovery requests, and be responsive in answering discovery requests. The Commission accepts the agreements reached by the parties at the prehearing conference regarding discovery. All discovery requests and responses will be served on all other parties. Responses to data requests submitted by Staff must be furnished within seven days of the date on which the information was requested. K.A.R. 82-1-234a(b). Parties must respond to data requests from all other parties within ten business days of the date on which the information was requested. Any objection to a discovery request must be made within five business days of the date on which the information was requested or the objection is waived unless good cause is shown. Tr., pp 19-20.

27. To the extent possible, all data requests will be served electronically with a hard copy to follow. Any data requests served electronically after 3:00 p.m. on a business day shall be dated and deemed served the next business day. Also, to the extent possible, responses to data requests will be served electronically with a hard copy to follow. SWBT noted at the prehearing conference that it will not use electronic mail or facsimile responses for proprietary information, but otherwise had no objection to the proposal. Tr., p. 16-17. The Commission agrees to this exception. Responses to data requests shall contain the name of the person(s) providing information needed to answer the request and shall also give the name of the person(s) who can

answer follow-up questions. Parties shall be allowed to file verifications of responses to data requests by facsimile or by electronic mail, with a hard copy to follow. Tr., pp 21-25.

28. Furthermore, all motions to compel should be personally served, by facsimile or by email. Responses to motions to compel should be filed within 48 hours, with service by facsimile or by email. If the party filing a motion to compel wishes to reply to the response, the reply must be filed within 48 hours of the filing of the response. The Commission reserves the right to act immediately on a motion to compel if necessitated by the time constraints in the case.

29. The Commission is concerned that recently some LECs have actively participated in dockets by presenting testimony through consultants only, with no indication that any employee of the carrier was involved in answering even company-specific questions. The Commission finds this inappropriate. Therefore, the Commission directs that any LEC actively involved in discovery must designate as a contact an employee that is knowledgeable about the carrier's winback or retention offerings and about the carrier's position regarding winback or retention offerings by its competitors. A carrier may use a consultant in addition to its designated contact. Furthermore, if the answer to a data request requires a LEC to provide company-specific information, an authorized employee of the carrier should verify the correctness of that information relating specifically to the company.

30. In its Comments, Staff set forth a modified procedural schedule that had been proposed by the presiding officer to parties actively participating in this docket. The Commission adopts the proposed schedule set forth by Staff, but it recognizes the time for filing posthearing briefs may need to be adjusted in light of the time needed to prepare a transcript. The following procedural schedule is adopted:

Simultaneous Direct Testimony due	Thursday, January 9, 2003
Discovery on Direct Testimony ends	Thursday, January 23, 2003
Simultaneous Rebuttal Testimony due	Thursday, February 6, 2003
Discovery on Rebuttal Testimony ends	Thursday, February 13, 2003
Prehearing Motions deadline	Thursday, February 20, 2003
Response to Prehearing Motions due	Thursday, February 27, 2003
Prehearing Conference	Tuesday, March 4, 2003, 10:00 a.m.
Evidentiary Hearing	Tuesday-Thursday, March 11-13, 2003, beginning at 9:30 a.m.
Initial Posthearing Brief	Thursday, April 24, 2003
Reply Briefs	Thursday, May 8, 2003

31. A prehearing conference will be held on **Tuesday, March 4, 2003, at 10:00 a.m.** in the Third Floor Hearing Room at the Commission's offices, 1500 SW Arrowhead Road, Topeka, KS 66604-4027. Issues to be addressed include any pending motions, the order of witnesses at the evidentiary hearing, and any other appropriate matters. The presiding officer will be Martha J. Coffman, or other staff member appointed by the Commission, 1500 SW Arrowhead Road, Topeka, KS 66604-4027, at telephone number 785-271-3105. Any party who fails to attend or participate in the hearing or in any other stage of this proceeding may be held in default under the Kansas Administrative Procedure Act. K.S.A. 77-516(c)(8); K.S.A. 77-520. At the prehearing conference, this proceeding without further notice may be converted into a conference hearing or a summary proceeding for disposition of the matter as provided by the Kansas Administrative Procedure Act. K.S.A. 77-516(c)(7).

32. An evidentiary hearing with the Commission presiding will be held on **Tuesday, March 11, 2003, beginning at 9:30 a.m., and continuing if necessary on Wednesday, March 12, 2003, and Thursday, March 13, 2003**, in the First Floor Hearing Room at the Commission's offices, 1500 SW Arrowhead Road, Topeka, KS 66604-4027, at telephone number 785-271-3100. Any party who fails to attend or participate in the hearing or in any other stage of this proceeding may be held in default under the Kansas Administrative Procedure Act. K.S.A. 2001 Supp. 77-518(c)(8); K.S.A. 77-520.

33. The attorneys who have been designated to appear for the agency in this proceeding are Eva Powers, telephone number 785-271-3173, and Bret Lawson, telephone number 785-271-3273, 1500 Arrowhead Road, Topeka, KS 66604-4027. K.S.A. 2001 Supp. 77-518(c)(2); K.S.A. 77-516(c)(2).

VI. Service on All Local Exchange Carriers

34. All certificated local exchange carriers, including competitive local exchange carriers, will be served with this order and any other order making substantive decisions in this docket. All parties that have not previously entered an appearance but now want to participate actively in this docket and address the Commission on winback or retention offerings must file an entry of appearance no later than **Thursday, December 19, 2002**. Those parties should be included on the restricted service list, which will assure receipt of copies of testimony and procedural orders. Staff shall prepare an updated service list and provide it to all parties that have entered appearances for service of testimony and pleadings. All local exchange carriers will be served with the final order setting forth substantive decisions in this docket. Parties entering an appearance are reminded that local counsel is required for all out-of-state attorneys appearing before the Commission. Kansas Supreme Court Rule 116(c) (2001 Kan. S. Ct. R. Annot. 168).

IT IS, THEREFORE, BY THE COMMISSION ORDERED THAT:

(A) The Commission hereby adopts the findings and recommendations of the presiding officer to the extent set forth above. Parties are directed to file direct and rebuttal testimony relating to the issues outlined above in this Order.

(B) The procedural schedule, including a prehearing conference and evidentiary hearing, are adopted as set forth above.

(C) A **prehearing conference** will be held on **Tuesday, March 4, 2003, at 10:00 a.m.** in the third floor hearing room at the Commission's offices, 1500 SW Arrowhead Road, Topeka, KS 66604-4027. The presiding officer will be Martha J. Coffman, or other staff member appointed by the Commission, 1500 SW Arrowhead Road, Topeka, KS 66604-4027, at telephone number 785-271-3105, as further set forth above.

(D) An **evidentiary hearing** with the Commission presiding will be held on **Tuesday, March 11, 2003, beginning at 9:30 a.m., and continuing if necessary on Wednesday, March 12, 2003, and Thursday, March 13, 2003**, in the third floor hearing room at the Commission's offices, 1500 SW Arrowhead Road, Topeka, KS 66604-4027, as further set forth above.

(E) All certificated local exchange carriers, including competitive local exchange carriers, have been made parties to this docket, will be served with this order, and may file an entry of appearance to become actively involved by **December 19, 2002**.

(F) Many decisions in this Order are procedural and constitute non-final agency action. K.S.A. 77-607(b)(2). A party has fifteen days, plus three days if service is by mail, from the date of this Order in which to petition the Commission for reconsideration of any final agency action taken herein. K.S.A. 2001 Supp. 66-118b; K.S.A. 2001 Supp. 77-529(a)(1).

(G) The Commission retains jurisdiction over the subject matter and parties for the purpose of entering such further order or orders, as it may deem necessary.

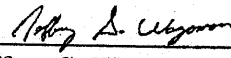
BY THE COMMISSION IT IS SO ORDERED.

Wine, Chr.; Claus, Com.; Moline, Com.

Dated: NOV 19 2002

ORDER MAILED

NOV 20 2002



Jeffrey S. Wagaman
Executive Director

mjc